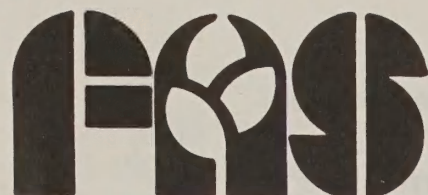


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WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

WASHINGTON, June 23--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

GRAIN AND FEED

MEXICAN feed manufacturers recently experienced a shortage of feed grains following curtailment of grain imports by the Mexican government. The shortage forced the temporary closing of some smaller feeding operations in remote locations and may force some livestock producers to cut inventories.

Mexico recently began importing sorghum to overcome the shortage. In May, the government's grain purchasing organization, CONASUPO, bought 450,000 tons of sorghum from the United States. Most of the shipment will arrive in Mexico in June and July. Also, Mexico purchased 300,000 tons from Argentina for delivery through mid-September. Low Argentine sorghum prices, due to a recent Argentine peso devaluation, made the latter purchase possible. Mexico is expected to continue purchases of sorghum to keep needs for corn and wheat feeding to a minimum.

OILSEEDS AND PRODUCTS

During March, countries in the FISHMEAL EXPORTERS ORGANIZATION (FEO) increased fishmeal production sharply over recent months and from a year ago. FEO countries also expanded fishmeal exports in March compared with a year ago. However, the gain in exports did not prevent a significant surplus. The data are as follows in 1,000 metric tons:

	Jan-Mar 1981			Jan-Mar 1982		
	Production	Exports	Stocks 3/31	Production	Exports	Stocks 3/31
Chile	75.2	70.4	90.0	136.7	148.1	193.5
Iceland	34.3	26.9	20.2	16.1	31.7	10.9
Norway	103.2	58.4	102.0	83.6	42.4	79.9
Peru	117.0	46.3	107.7	108.5	70.9	165.5
South Africa	45.0	.6	24.0	34.8	.3	7.5
Total	374.7	202.6	343.9	379.7	293.4	457.3
January	109.8	72.1	252.6	89.7	102.0	397.5
February	128.3	74.5	286.0	112.2	114.6	377.6
March	136.6	56.0	343.9	177.8	76.8	457.3

Given the abundant supply/demand balance, fishmeal prices continue to be competitive.

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DAIRY, LIVESTOCK AND POULTRY

Meat production in the SOVIET UNION in May neared the May 1981 level, according to data from state and collective farms. Cumulative data for the first five months of 1982 indicate that both meat production and state procurements were about 1 percent below 1981. Cumulative production of pork dropped 4 percent and beef was down 3 percent. Production of sheep and goat meat and poultry meat each rose 10 percent. Production and procurements of eggs were about 3 percent above the 1981 level. Cumulative production of milk dipped about 2 percent below last year. However, that represents a relative improvement in dairy production since the total for the first quarter was 4 percent below 1981.

Comparing June 1 figures in 1981 and 1982, the number of animals state and collective farms held this year was up for cattle and poultry but down for hogs and sheep. Cattle stocks rose by 0.6 million head from 1981 to 95.4 million head this year. Farms held poultry stocks of 758 million, 16 million above 1981. Hogs stocks, at 55.8 million head, dropped half a million head below 1981 and sheep numbers, at 146 million head, were about 2 million head below 1981.

The liveweight of animals sent to slaughter continued low but showed some relative improvement in May. Average weights for cattle during May rose about 2 percent above the April average while hog weights jumped more than 15 percent. Cumulative slaughter weight data for the year indicate cattle were about 3 percent below 1981 while hogs were 1 percent below the comparable months in 1981.

COTTON

SPAIN has announced minimum grower prices for 1982/83 crop seed cotton sold to ginners. Prices average 10 percent above 1981/82. Seed cotton prices range from the equivalent of 23 to 34 U.S. cents per pound depending on grade. The minimum price for the basic strict middling-1-1/16 inch grade is about 98 cents per pound.

TOBACCO

TAIWAN cigarette production in 1981 reached a record 27.4 billion pieces, up 6 percent from the 1980 level according to the Taiwan Tobacco and Wine Monopoly Bureau. The bureau said the large increase is due to buyers hoarding cigarettes before the price hikes in 1980. With low stocks and most of the hoarded cigarettes consumed, the bureau boosted production to avoid a shortage. Exports and imports of cigarettes are very small in comparison with domestic production and consumption.

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Tobacco leaf imports were 11,335 tons in 1981, down 25 percent from the 1980 level. The U.S. market share dropped to 51 percent compared with a 71-percent share in 1980. The sharp drop in imports of U.S. leaf is reportedly attributable to the short crop of desired quality tobacco in the United States. Exports of unmanufactured tobacco in 1981 were 4,850 tons, an increase of 63 percent from 1980. Indonesia was the largest market buying 47 percent, followed by the United Kingdom, which purchased 23 percent of Taiwan's tobacco exports.

WEST GERMANY'S consumption of unmanufactured tobacco in 1981 dropped slightly from 1980 by 1.4 percent. But the production of cigarettes rose by 6.3 percent to a record level of 168 billion pieces. This is an example of a worldwide change in composition in recent years. As cigarette output has risen, tobacco leaf use per cigarette has declined. In 1981, the amount of tobacco used in the manufacture of 1,000 cigarettes by the German tobacco industry declined by 7.6 grams to 829 grams. Increasing use of filters, 89 percent versus 88 percent of production in 1980, and developments in leaf-extending technology have helped reduce tobacco leaf consumption.

Exports of cigarettes in 1981 hit a record level of 37 billion pieces, up 17 percent over 1980. Italy and other European Community countries were the major markets. Cigarette imports also reached a record level of 2.4 billion pieces, an increase of 17 percent from 1980, with the majority imported from neighboring EC countries.

West German cigarette output in 1982 will likely be below 1981 because excise taxes on cigarettes and other tobacco products increased by about 32 percent as of June 1, 1982. The expected lower cigarette production will be partly offset by increased use of roll-your-own cigarettes. Also, in view of drastic price increases, experts say sales of high-priced cigarettes will shrink substantially, and sales of lower-priced cigarettes will rise.

HORTICULTURAL AND TROPICAL PRODUCTS

Production of tomatoes for processing in five European countries, FRANCE, ITALY, PORTUGAL and SPAIN, is forecast at 5,632,000 tons for 1982, up 7 percent from last year. Area planted in those countries is estimated to have increased by 1 percent to 147,000 hectares. Data indicate that production will rise in Portugal, Italy and France. In Portugal, irrigation water supplies are adequate this year following reduced supplies last year due to severe drought. Production is forecast to be more than a third larger this year at 470,000 tons.

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Italian production in 1982, forecast at 3.3 million tons, is up more than 15 percent from last year's heat-damaged crop. Production in France is forecast to rise 1 percent to 402,000 tons because of a 3-percent increase in area planted. Unfavorable weather in Greece, including flooding in the high-yielding plains of Kopais and Domokos in the central area, are expected to cause a 16-percent drop in production to 1 million tons. Observers say production in Spain will decline another 4 percent to 460,000 tons in 1982 as a result of irrigation water shortages in some areas, higher water fees in the Estremadura area (the leading tomato paste producing area) and lower-than-expected prices.

Based on the planting intentions of the National Union of Horticultural Producers in MEXICO, the area and production of tomatoes for processing is expected to rise in 1982. Area is likely to be 5,500 hectares, up 10 percent, with a production of 200,000 tons, up 11 percent. Demand from both export and domestic markets continued to rise in 1981/82, but the higher cost of inputs and high interest rates limited a more significant increase in area production.

On May 7, the Government of JAPAN announced a canned pineapple import quota for the first half of FY 1982 (April-September) of 12,248 metric tons, the same quota that applied a year earlier.

The quota is global. However, because of its favorable prices, USDA expects Southeast Asia to provide most of the imports with small quantities coming from the United States. During calendar year 1981, the United States exported 441 tons of canned pineapple to Japan.

Large carryover stocks held by the Okinawa industry since 1980 and recent depressed consumer demand for canned fruit are the main reasons Japan did not boost the quota.

The BRAZILIAN Government cut back its goals of boosting cocoa area by 450,000 hectares by 1985 and production to 700,000 metric tons by 1982. The new goals are 315,000 hectares and 550,000 tons. Declining prices and the outlook for future world cocoa surpluses, coupled with tight domestic credit and high inflation, have discouraged expansion plans under the government's Procacau program.

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Snow and freezing temperatures threaten apple and potato production in Eastern and Central FINLAND. They also will delay strawberry harvesting. The extent of the damage is unknown.

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Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Item	June 22, 1982	Change from previous week	A year ago
	\$ per m. ton	\$ per bu.	¢ per bu.
Wheat			
Canadian No. 1 CWRS-13.5%.....	195.00	5.31	-11
U.S. No. 2 DNS/NS: 14%.....	176.00	4.79	-5
U.S. No. 2 DHW/HW: 13.5%.....	174.00	4.74	-8
U.S. No. 2 S.R.W.....	1/	1/	1/
U.S. No. 3 H.A.D.....	175.00	4.76	-3
Canadian No. 1 A: Durum.....	1/	1/	1/
Feed grains:			
U.S. No. 3 Yellow Corn.....	126.00	3.20	-5
U.S. No. 2 Sorghum 2/.....	1/	1/	1/
Feed Barley 3/.....	1/	1/	1/
Soybeans:			
U.S. No. 2 Yellow.....	253.50	6.90	+4
Brazil 47/48% Soya Pellets 4/.....	229.00	--	-1.00 5/
U.S. 44% Soybean Meal (MT)....	220.00	--	-3.00 5/
EC Import Levies			
Wheat 6/.....	106.05	2.89	-14
Barley.....	77.65	1.69	-15
Corn.....	92.55	2.35	-12
Sorghum.....	94.00	2.39	-7

1/ Not available.

2/ Optional delivery: Argentine Granifero Sorghum.

3/ Optional delivery: Canadian Feed Barley.

4/ Optional delivery: Argentine.

5/ Dollars per metric ton.

6/ Durum has a special levy.

Note: Basis July delivery.

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